

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

|                                    |   |            |
|------------------------------------|---|------------|
| PURCHASED GAS ADJUSTMENT FILING OF | ) | CASE NO.   |
| VALLEY GAS, INC.                   | ) | 2014-00060 |

ORDER

On November 5, 2013, in Case No. 2013-00150,<sup>1</sup> the Commission approved rates for Valley Gas, Inc. ("Valley Gas") and provided for their further adjustment on a quarterly basis in accordance with Valley Gas's Gas Cost Recovery ("GCR") rate.

On February 24, 2014, Valley Gas filed its GCR to be effective April 1, 2014.

After reviewing the record in this case and being otherwise sufficiently advised, the Commission finds that:

1. Valley Gas's notice includes a revised rate designed to pass on to its customers its expected change in wholesale gas costs.
2. Valley Gas's proposed Expected Gas Cost ("EGC") is \$6.2994 per Mcf, which is an increase of \$.2464 per Mcf from the previous EGC of \$6.0530 per Mcf.
3. Valley Gas's notice sets out no current quarter Refund Adjustment.
4. Valley Gas's notice sets out a current quarter Actual Adjustment ("AA") of (\$.0290) per Mcf. Valley Gas's total AA is (\$.3493) per Mcf, which is a decrease of \$.2669 per Mcf from its previous total AA of (\$.0824) per Mcf.
5. Valley Gas's notice sets out a GCR of \$5.9502 per Mcf. Due to a spreadsheet error, Valley Gas miscalculated its GCR. Correcting this produces a GCR

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<sup>1</sup> Case No. 2013-00150, Application of Valley Gas, Inc. for an Alternative Rate Adjustment (Ky. PSC Nov. 5, 2013).

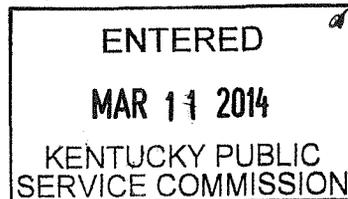
of \$5.9501, which is a decrease of \$.0205 per Mcf from the previous GCR of \$5.9706 per Mcf.

6. The rate in the Appendix, attached to this Order, is fair, just, and reasonable and should be approved for service rendered by Valley Gas on and after April 1, 2014.

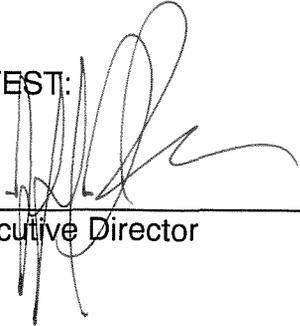
IT IS THEREFORE ORDERED that:

1. The rate proposed by Valley Gas is denied.
2. The rate in the Appendix is approved for service rendered on and after April 1, 2014.
3. Within 20 days of the date of this Order, Valley shall file with this Commission, using the Commission's electronic Tariff Filing System, revised tariff sheets setting out the rate approved herein and reflecting that it was approved pursuant to this Order.

By the Commission



ATTEST:

  
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Executive Director



Kerry R Kasey  
Secretary  
Valley Gas, Inc.  
401 First Street  
P. O. Box 55  
Irvington, KY 40146